REMARKS

Claims 6-9, 11-13, and 19-36 are presently pending. An early indication of allowance is respectfully requested. A marked-up version of the amendments have been attached pursuant to CFR § 1.121.

Rejections Under 35 U.S.C. § 101

Claim 13 stands rejected as being direct to non-statutory subject matter because it "merely implies" being in the technological arts by not requiring any hardware in the method. Applicant has amended claim 13 to more explicitly establish that it is related to the technological arts and is patentable subject matter. Specifically, in Fig. 1 of the present application, the customer, merchant, and authorization system are depicted as computers. Claim 13, as well as claims 6, 8, and 9, have been amended to make this point more clear by referring to these as specifically "the node associated with the customer," "the node associated with the e-commerce merchant," and so forth. Applicant hereby asserts that these amendments neither broaden nor narrow the coverage of the claim. Applicant respectfully requests withdrawal of this rejection.

Rejections Under 35 U.S.C. § 103

Claims 6, 9, 11-13, and 19-36 stand rejected as being obvious in light of U.S. Patent No. 5,903,878 ("Talati") in view of U.S. Patent No. 6,327,578 ("Linehan"), and claims 7-8 are rejected further in view of U.S. Patent No. 5,909,492 ("Payne"). This rejection is respectfully traversed.

As required under MPEP § 2142, "the examiner bears the initial burden of factually supporting any prima facie conclusion of obviousness. If the examiner does not produce a prima facie case, the applicant is under no obligation to submit evidence of nonobviousness." In the present instance, the Examiner has not factually supported a prima facie case of obviousness as required in MPEP §2142. The Examiner has attempted to combined Talati and Linehan to reject the pending claims. However, it is clear that Talati and Linehan are not properly combinable since, if combined, their intended function is destroyed. More particularly, Talati states:

> In order to properly authenticate entities such as a client and the merchant performing a transaction, there is proposed a standard SET (Secure Electronic Transactions) in which each entity obtains a Certificate of Authentication from a Certificate Authority (CA) whereby clients and merchants can authenticate each other before performing any transaction by digitally signing the contents of the transaction and having the digital signature authenticated by the CA. **This open exchange of digital signatures increases the potential of fraud.**

4

Thus, there is also a need for secure electronic commerce where the exchange of digital signatures between entities is eliminated. (col. 2, 2-14, emphasis added)

On the other hand, Linehan states that "it would also be desirable to expand the cardholder authentication methods supported by the SET protocol." (col. 3, 56-58). Linehan states

The method of the invention includes the step of sending from a consumer's computer a start message over an internet network to a merchant's computer. The merchant's computer then replies to the consumer's computer with a merchant message including a wallet initiation message, a **merchant digital signature**, and a digital certificate from an acquiring bank. (Col. 4, 10-16)

...

The invention includes the use of a variety of methods to perform authentication of the consumer with the issuer gateway 214. Examples include a userid and a password, an ATM debit card number and PIN, a smart card's account number and a symmetric Message Authentication Code (MAC), a smart card's account number and **an asymmetric digital signature, a consumer's digital signature and digital certificate, a consumer's a user account number and a symmetric MAC or asymmetric digital signature, a user account number and an asymmetric digital signature**, or a consumer's biometric signal. (col. 7, 39-49).

Accordingly, since Talati teaches the "open exchange of digital signatures increases the potential of fraud" and that there is a "need for secure electronic commerce where the exchange of digital signatures between entities is eliminated," while Linehan uses digital signatures "to perform authentication," one of ordinary skill in the art would not have combined these references. Therefore, for this reason alone, the Examiner has not established a prima facie case of obviousness, and the rejection of claims 6, 9, 11-13, and 19-36 under 35 U.S.C. § 103 should be withdrawn.

Independent Claim 13 Is Not Taught By Talati In View Of Linehan

Even assuming that the combination of Talati and Linehan was permitted, the combination of these references fail to teach all of the limitations of claim 13. Independent claim 13 reads, in part, that the method comprises: "confirming rights in the account by associating an account code provided by the customer with an account number associated with the account." The Examiner originally maintained that Linehan discloses "confirming rights in the account by associating an account code (i.e. 'reference number') with an account number" (Office Action at page 4). However, the 'reference number' referred to in Linehan and cited by the Examiner is "created by the issuing bank" and *replaces* the account number when transmitting transaction information. (col. 6, lines 19-26). As such, Linehan does not teach using an "account code provided by the customer" for "confirming rights in the account." Linehan only teaches that the reference number is created by the

5

issuing bank to be used instead of the account number for transmitting information over the internet.

Accordingly, as neither Talati nor Linehan disclose "confirming rights in the account by associating an account code provided by the customer with an account number associated with the account," Applicant submits that claim 13 is now in condition for allowance.

As dependent claims 6-12 depend from and further limit independent claim 13, Applicant submits that claims 6-12 are also in condition for allowance.

Independent Claim 22 Is Not Taught By Talati In View Of Linehan

Even assuming that the combination of Talati and Linehan was permitted, the combination of these references fail to teach all of the limitations of claim 22. Independent claim 22 reads, in part, that the method comprises: "transferring the interface of the user to the merchant." As noted in the Office action, Talati does not transfer the user to the merchant. In an effort to obviate the claim, the Examiner used Talati in view of Linehan at col. 5, lines 54-57. However, Linehan only discloses that the consumer's computer sends a start message over an internet network to a merchant's computer. (col. 5, 54-57). As such, Linehan discloses sending a message to the merchant's computer, as opposed to "transferring the interface of the user to the merchant," as is currently claimed.

Accordingly, as neither Talati nor Linehan disclose "transferring the interface of the user to the merchant," Applicant submits that claim 22 is now in condition for allowance.

As dependent claims 19-21 and 23-27 depend from and further limit independent claim 2, Applicant submits that claims 19-21 and 23-27 are also in condition for allowance.

Conclusion

It is clear from all of the foregoing that claims 6-9, 11-15, and 19-36 are in condition for allowance. An early formal notice of allowance of claims is requested. The Examiner is invited to telephone the applicant's attorney at the number listed below if further assistance can be provided.

Respectfully submitted,

David M. O'Dell
Registration No. 42,044

Date: March 9, 2003
HAYNES AND BOONE, LLP
Attorney Docket No. 26796.2
901 Main Street, Suite 3100
Dallas, Texas 75202-3789
Telephone: 972/739-8635
Facsimile: 972/692-9118
D-1098863_1.DOC

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In the Claims

6. (Amended) The method of claim 13 wherein the authorization form includes a transformation system to transform the signature phrase at the <u>node associated with the</u> customer, and wherein the interface receives the second account number and the second signature phrase in a transformed format.

8. (Amended) The method of claim 7 wherein the transaction certificate may be provided to the <u>node associated with the e-commerce</u> merchant to indicate successful authorization.

9. (Amended) The method of claim 13 wherein the authorization form is provided to the <u>node associated with the</u> customer through a network interface.

13. (Amended) A method for authorizing transactions between a customer that is authorized to use an account and an e-commerce merchant, the method comprising:

confirming rights in the account by associating an account code <u>provided by the customer</u> with an account number associated with the account;

establishing a signature phrase for being used in a plurality of transactions;

linking the signature phrase to the account number for use in the transactions;

upon indication from [the]<u>a node associated with the</u> e-commerce merchant that a transaction has initiated, providing an authorization form to <u>a node associated with </u>the customer, the authorization form being from <u>a node associated with</u> an entity separate from the e-commerce merchant;

receiving the signature phrase from the <u>node associated with the</u> customer through a customer response to the authorization form; and

extending rights to the account, normally only associated with the account code, to the signature phrase such that the customer can authorize the transaction made on the account using the signature phrase.

8

22.	(Amended) A method for authorizing transactions over a network, comprising:

receiving, at an authorization system, merchant information and account information after a user has initiated a transaction from a merchant using a network interface;

verifying that the merchant information corresponds to the merchant;

determining whether the account information corresponds to an account entry in an authorization database;

creating an authorization form at the authorization system;

displaying the authorization form to the user;

receiving an authentication phrase from the user;

verifying that the received authentication phrase corresponds to an authentication phrase in the account entry; and

transferring the network interface of the user to the merchant.

23.	(Amended) The method of claim 22 further comprising:

enabling the network interface of the user to be transferred to the authorization system.